

PERS EMPLOYER ADVISORY GROUP MEETING

NOTES

DATE: 7/19/2019

TIME: 10:00AM-12:00PM

PERS HEADQUARTERS

TYPE OF MEETING	PERS EMPLOYER ADVISORY GROUP MEETING	
FACILITATOR	Sam Paris	
NOTE TAKER	Tamie Johnson	
CALL IN NUMBER	(877) 411-9748; participant code: 510922	
ATTENDEES	<p>Present: Bonny Ray, Oregon State University; David Moore, Tigard-Tualatin School District; Debra Grabler, Tualatin Fire and Rescue; Jeff White, Marion County; Jennifer Cooperman, City of Portland; Michelle Morrison, Hillsboro School District; Nancy Brewer, City of Corvallis; Nathan Klinkhammer, Portland State University; Rob Bovett, Association of Oregon Counties; Sandra Montoya, City of Woodburn; Shauna Tobiasson Department of Administrative Services; Trudy Vidal, Department of Administrative Services;</p> <p>PERS: Alison Burman; Bonnie Kenck; Dean Carson; Debbie Wade; Elaine King; Elizabeth Rossman; Jennifer Terwilliger; Joli Whitney; Kevin Olineck; Laurel Galego; Marjorie Taylor; MaryMichelle Sosne; Richard Horsford; Sam Paris; Stephanie Vaughn; Tamie Johnson; Yvette Elledge-Rhodes</p> <p>Guests: Caleb Ford, Metro; Carol Samuels, Piper Jaffrey</p> <p>Phone: Ralph Wyatt, Linn County; Carol Williams, Department of Administrative Services; Anita Gurule, University Shared Services Enterprise</p>	
TIME: 10:00 - 10:02	WELCOME	SAM PARIS
PURPOSE/GOAL	Introductions	
Sam welcomed the Employer Advisory Group and introduced PERS CFO, Richard Horsford.		
TIME: 10:02 - 10:05	LEGISLATIVE UPDATE	MARJORIE TAYLOR
PURPOSE/GOAL	Provide legislative update	
Marjorie discussed five approved bills, except SB 1049, and gave a brief summary of each one.		
TIME: 10:05 - 11:15	SB 1049	YVETTE ELLEDGE-RHODES
PURPOSE/GOAL	Provide the group with an update on implementation of SB1049.	
The EAG viewed a slide presentation, emailed prior to the meeting. There is a short time frame to implement SB1049, and PERS has been focusing on project implementation. We acknowledge and thank you for the questions we have received. We are wanting to be purposeful about answering them and not causing confusion. We are working on FAQ, to answer common questions.		

Communications *(Dean Carson)*

There is a SB1049 page on the Oregon.gov website. We will update as we have more information to share. We are working on a Work After Retirement flowchart for both general service and Police & Fire. PERS will have a new webpage linked to the existing webpage to make it easy for a member to use and for EAG members to hand out. Mass communications are designed for the majority of our members and will cover nearly everything. Any member specific questions, members can either email or call our Member Services team. Feedback is welcomed. The draft will be shared first with EAG, then GovDelivery.

Employer Programs Portion of SB 1049 *(Stephanie Vaughn/MaryMichelle Sosne)*

The EAG reviewed the PowerPoint presentation. Matching funds will be allocated on a first come, first served basis. Wait list will be utilized after full. We are looking to open an application cycle soon. We want to give all employers the opportunity to get payments in before December 31st, 2019. We have to outline in Administrative Rule, which should be established prior to the October Board meeting. Once lump sum payment is made, we will pay the funds for the match. We are looking for suggestions you have. PERS wants to make sure employers are informed and process is transparent. With SB1049 there is the option for multiple application cycles for EIF but the amount available for match is determined by the Legislature.

There are a couple different ways we are looking at handling the application process. We are thinking of using things we've had before that have had mass amounts of information that come in on the same day. An EAG member suggested ODE has first in time process, where they have blocked out a time where anyone submits between 8-noon it gets thrown into a lottery, which seems to work well.

Suggestion made for window/deposit time frame, if there is a determined cutoff from the first group, it is a process- gain board and budget approval, so if PERS can give enough time for the next group to complete. PERS is planning on communicating after the first 90 days informing the amount of money left for allocation and giving others opportunity.

UAL Resolution Program requires PERS to provide technical expertise to assist employers in developing funding plans to improve funded status and manage employer rates. Offered the Employer Rate Projection Tool, as a starting point. EAG members suggested different amortization periods, to be able to change the salary, and a funding plan template would be helpful. PERS is looking at GovInvest tool as an option which allows you to manage assumptions and easy visualization. Working with LFO and Legislature as well. PERS is requesting employer feedback, how do you interpret "funding plan". What information can PERS provide to help you manage your funding status and manage your contribution rates?

SB 1049 (20) is titled side accounts but only refers to side accounts with a lump sum payment of \$10 million or more where the employer has selected the amortization schedule and/or the employer selects a deferred rate offset date. This portion of the legislation does not apply to any other side account.

Changes to Salary Limits:

Caps at \$195K impacts, about 1% of membership, defining subject salaries on Tier One. Already have it on Tier 2 and OPSRP. Starting January 2020, does not affect sick leave portion. We are looking at communication to this population to notify the targeted members.

We hope members will sign up for GovDelivery, it will be added to our website, but we want to get information out to those that want it. We are trying to be purposeful on our education to help members make their retirement decisions.

Work After Retirement Limits:

Changes made are removing the limitations we had with the exception of early retirements. If they want to work unlimited hours, they have to have six month break. If they want to come back immediately, they are limited to the 1040 hours per calendar year. Employers will be paying Employer Rate on any retired worker that is working unlimited hours. No IAP contributions coming in on this. This may change employer monthly reporting format and might change the employer statement. Effective date January 1, 2020. PERS may reach out to EAG for feedback on the process.

IAP Redirect for Member Contributions:

Effective July 1, 2020, employee pension stability account will be used at retirement to pay a portion of member's pension benefit. We are working on developing implementation. At retirement we are using the EPSA to fund their retirement. If a member terminates, they will withdraw from IAP & EPSA accounts. They are segregated to keep track of before and after tax.

Member Choice:

Later implementation date, January 1, 2021. Election period around September 2020. At our next meeting we'll share more about Member Choice.

Bill was signed on June 12th, they have until August 12th to file in court. We have asked for additional staffing and will have to lease space to house more staff. We are trying to work as quickly as possible due to the short implementation dates.

ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Send any ideas or feedback to the EAG mailbox	EAG	Ongoing
TIME: 11:15 - 11:24 DOMESTIC PARTNER IMPUTED VALUE		SAM PARIS
<p>Trudy Vidal is asking for feedback from other employer on OPSRP salary deemed to be taxable. We will send the questions out separately from the minutes. The State may do it differently, it comes through PEBB and says here is the amount we need to add to taxable wage. PERS statute Tier 1 & Tier 2 does not include the income as taxable income. Shifted the 6% to member contribution. Trudy said she's happy to gather the feedback and compile the information and distribute to the EAG.</p>		
ACTION ITEMS	PERSON RESPONSIBLE	DEADLINE
Send Trudy's questions to the EAG members	EAG	7/31/2019
TIME: 11:24 - 11:35 ADDITIONAL ITEMS		SAM PARIS
<p>OPSRP IAP First Wage Clean-up Project conversations started. Target Date Fund was a heavier lift than we initially thought on our tools. The team is working hard to get this done.</p> <p>For SB 1049 requirements, please reach out to us, we'd like to collaborate to make sure we're on the same page. We can have ad hoc meetings to talk through things, especially system architects and how it will impact employers. We do want to engage the EAG in those conversations.</p> <p>Any additional questions, please send in to Employer Advisory Group, we appreciate your help.</p>		
Next Meeting Facilitator: Sam Paris		
Next Meeting Date & Time: October 18, 2019 10:00 AM - 12:00 PM		